

**ABSTRACT OF THE DISCLOSURE**

A wavelength division multiplexer/demultiplexer (WDM) for use in an optical network and in an optical performance monitor that minimizes increases in insertion losses over  
5 temperature variations. The WDM has a structure for holding at least one optical component. A diffraction grating assembly having a substrate is held in relation to the at least one optical component by the structure. A lens assembly having a focal length is held in relation to the at least one  
10 optical component. The coefficient of thermal expansion of the lens assembly and structure are approximately equal. The lens assembly is constructed from a material chosen to minimize its variance in focal length over temperature. The grating assembly has an angular dispersion that changes with  
15 temperature and the product of the focal length and angular dispersion remains constant over temperature. The WDM further comprises a prism having a change in index of refraction with temperature that is approximately equal to a negative of a coefficient of thermal expansion of the substrate. The  
20 substrate has a coefficient of thermal expansion approximately equal to a negative of a coefficient of thermal expansion of air.